

Senate File 2019 - Introduced

SENATE FILE 2019
BY BEALL

A BILL FOR

1 An Act relating to eligible lenders for the home ownership
2 assistance program for military members.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 16.54, subsection 4, paragraphs a and b,
2 Code 2009, are amended to read as follows:

3 a. The person eligible for the program shall, for financed
4 home purchases that close on or after July 1, 2008, use a
5 lender that participates in the authority's applicable programs
6 for first-time homebuyers or a lender approved by the authority
7 under subsection 4A.

8 b. If the person eligible for the program is a first-time
9 homebuyer, then, for financed home purchases that close on or
10 after July 1, 2008, the eligible person shall participate, if
11 eligible to participate, in one of the authority's applicable
12 programs for first-time homebuyers. However, a person eligible
13 for the program may use a lender that does not participate in
14 the authority's applicable programs for first-time homebuyers
15 if such lender is approved by the authority under subsection
16 4A.

17 Sec. 2. Section 16.54, Code 2009, is amended by adding the
18 following new subsection:

19 NEW SUBSECTION. 4A. A person eligible for the program
20 may submit an application to the authority for approval of
21 a lender, even if such lender does not participate in the
22 authority's applicable programs for first-time homebuyers.
23 The authority shall have discretion to approve or disapprove
24 any application under this subsection. The authority shall
25 prescribe a form for such applications.

26 EXPLANATION

27 This bill allows eligible persons for the home ownership
28 assistance program for military members to submit an
29 application for approval of a lender other than those lenders
30 who participate in the Iowa finance authority's applicable
31 programs for first-time homebuyers. The bill gives the Iowa
32 finance authority discretion to approve or disapprove an
33 application to use an alternative lender. The bill also
34 requires the Iowa finance authority to prescribe a form for
35 such applications.